



7500 SECURITY BOULEVARD
BALTIMORE MD 21244-1850

JUL 27 2001

Herbert H. Weldon, Jr.
Senior Deputy Director for Health Care Finance
Medical Assistance Administration
825 North Capitol Street, N.E.
Washington, DC 20002

Dear Mr. Weldon:

I am pleased to inform you that the Centers for Medicare and Medicaid Services (CMS) is approving the District of Columbia's request for a 2-year continuation of its Medicaid managed care program authorized under sections 1915(b)(1) of the Social Security Act (the Act). This approval provides for waiver of the following sections of the Act: 1902(a)(10)(B) comparability of services and 1902(a)(23) Freedom of Choice.

I have based my decision on the evidence submitted showing that the program is consistent with the purposes of the Medicaid program, has met statutory and regulatory requirements for access to care and quality of services, and will continue to be a cost-effective means of providing health care services to the District of Columbia's Medicaid population.

The District will continue to be responsible for documenting the cost-effectiveness, access and quality factors in subsequent renewal requests, and will be required to arrange for an independent assessment, with results submitted to CMS prior to the next renewal request.

This approval is contingent on the condition that the District provide to CMS by September 30, 2001, a plan indicating the evaluator the District has contracted with and when we will receive the completed independent assessment.

Approval of this waiver renewal covers a two-year period, from September 22, 2001 through September 21, 2003. The District of Columbia may request that this authority be renewed and should submit its request for renewal 90 to 120 days in advance of the expiration date.

The Health Care Financing Administration (HCFA) was renamed to the Centers for Medicare & Medicaid Services (CMS). We are exercising fiscal restraint by exhausting our stock of stationery.

Page 2 – Mr. Herbert H. Weldon, Jr.

We appreciate the District of Columbia's efforts in continuing this program, which provides for accessible, quality and cost-effective health care for Medicaid enrollees, and wish you much success in your continuing activities in this area. If you have any questions regarding this action, please feel free to contact Marguerite Clark of the Philadelphia Regional Office, Division of Medicaid and State Operations, at (215) 861-4199.

Sincerely,

Michael Fiore
Director
Division of Integrated Health Systems
Family and Children's Health Programs Group
Center for Medicaid and State Operations

cc: Marguerite Clark, CMS Region III – Philadelphia

The Health Care Financing Administration (HCFA) was renamed to the Centers for Medicare & Medicaid Services (CMS). We are exercising fiscal restraint by exhausting our stock of stationery.